

Program 022

SPI - Pupil Transportation**Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2003-05 Expenditure Authority		441,741		441,741
Total Maintenance Level		503,981		503,981
Difference		62,240		62,240
Percent Change from Current Biennium		14.1%		14.1%
Performance Changes				
School Bus Depreciation		(6,482)		(6,482)
Pension Gain Sharing #		(4,159)		(4,159)
Projected Unit Credit - OSA #		(7,161)		(7,161)
Subtotal		(17,802)		(17,802)
Total Proposed Budget		486,179		486,179
Difference		44,438		44,438
Percent Change from Current Biennium		10.1%		10.1%
Total Proposed Budget by Activity				
Student Transportation		486,179		486,179
Total Proposed Budget		486,179		486,179

PERFORMANCE LEVEL CHANGE DESCRIPTIONS**School Bus Depreciation**

The Joint Legislative Audit and Review Committee issued its final report on K-12 School Bus Bidding and Purchasing in February 2005. It noted that the present method for reimbursing districts for school bus purchases results in wide annual fluctuations in state payments to districts. To address this issue, the school bus depreciation payments will be based on a five-year average of prices for each bus category. In the final year on the depreciation schedule, the payment for a bus will be adjusted so that the total depreciation payments and assumed investment returns will be sufficient to replace the bus according to the current low bid price for that bus category. These changes provide additional stability and predictability for state expenditures and school district revenues, and the current policy of providing the replacement value by the end of the depreciation payments is maintained.

Pension Gain Sharing #

Prefunding for Pension Gain Sharing is removed from the budget.

Projected Unit Credit - OSA #

This item reflects moving the Public Employees' Retirement System, the Teachers' Retirement System, and the School Employees' Retirement System from the aggregate actuarial method to the projected unit credit method, using assumptions and methods provided by the Office of the State Actuary.

ACTIVITY DESCRIPTIONS**Student Transportation**

Each school district electing to provide student transportation to and from school is entitled to state pupil transportation funding. The calculations for a district's pupil transportation allocation include adjustments for the number of students transported and distance weighting factors. The state does not include students within one radius mile in the general pupil transportation allocation. However, students in grades K-5 living within one radius mile, whether transported or not, generate additional funding which can be used to transport these students or to create safer walking conditions. The state also pays for the replacement of district school buses through a depreciation system. Schools transport over 480,000 students 90 million miles annually.